(b) if so, whether this issue was brought to the notice of the Prime Minister by the Agriculture Ministry and was apprised all facts about the farmers.

(c) whether the Prime Minister has finally taken the decision;

(d) if not, by what time final decision in this regard is likely to be taken, and

(e) to what extent it will benefit the farmers in the drought affected States ?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV): (a) to (c) The competent authority in the Government has decided to extend the following relief measures to the farmers affected by drought:—

(i) There will be no recovery of any amount either by way of principal or interest during the current financial year in respect of Kharif crop loan.

(ii) The principal amount of crop loan will be converted into term loan and will be recovered over a period of minimum five years in case of small and marginal farmers and four years in the case of other farmers.

(iii) The first year's deferred liability of interest on Kharif 2002 crop loans will be waived completely.

(d) Does not arise.

(e) Based on the announcement made by the Government of India, the banks have been advised by the Reserve Bank of India and NAB ARD to defer the interest due on the Kharif 2002 crop loans in such a way that the first instalment of interest repayment would be 20% of the deferred interest. This instalment of deferred interest which is to be waived by banks, will be reimbursed by Government of India in the case of all farmers. The banks have also been advised not to charge any interest on the deferred interest.

Shortfall in cotton production

3740. SHRI MATIAMBIKASONI:
SHRI EKANATH K. THAKUR:
DR. T. SUBBARAMI REDDY:
SHRIMATI BIMBA RAKAR:

Will the Minister of AGRICULTURE be pleased to state:

(a) whether it is a fact that the cotton production in the country is expected to be the lowest in the past 8 years; if so. the details thereof;

(b) the reason for the fall in production and rise in cotton prices;

(c) whether the All India Cotton Advisory Board has attributed the lower production to farmers allocating lower areas for cotton crop;

(d) the steps taken to meet the shortage and improve the cotton production; and

(e) the domestic demand for cotton at the end of the Tenth Five Year Plan?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI HUKUMDEO NARAYAN YADAV): (a) Yes, Sir. During the current cotton season *i.e.* 2002-2003 (October-September), the cotton production in the country has been the lowest in the last 8 years as shown below :

(Quantity in lakh tonnes)

Year	Production
1995-96	128.6
1996-97	142.3
1997-98	108.5
1998-99	122.9
1999-2000	115.3
2000-2001	95.2
2001-2002	100.9
2002-2003 (Hrd Advance estimate as on 4-4-2003)	85.7

(b) The fall in production is due to decline in area under cotton cultivation, while rise in prices is due to picking up of demand in both the domestic and international markets.

(c) Yes. Sir. The Cotton Advisory Board (CAB) has attributed lower production to reduced area under cotton cultivation and inadequate rainfall.

(d) To improve production of cotton the Government has been implementing the Technology Mission on Cotton with four Mini Missions. The objectives of its mission are cotton research and technology generation to increase cotton production and productivity, transfer of technology, improvement of marketing infrastructure and modernization/upgradation of existing ginning and pressing factories. Also cotton farmers are being benefited by easy availability of quality inputs like seeds, pesticides etc.

(e) As per the Tenth Five Year Plan Document, the projected cotton consumption by the textile industry at the end of the Tenth Five Year Plan *i.e.,* 2006-07 would be 202 lakh bales of 170kgs. each.